



The Federal Planning Agency for America's Capital

Performance Accountability Report 2014

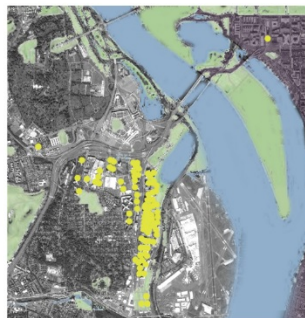
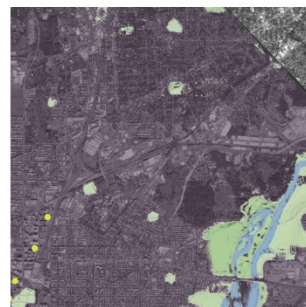
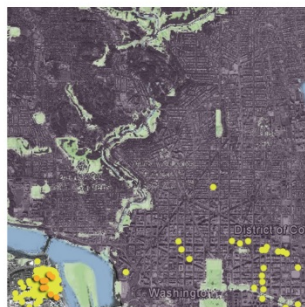
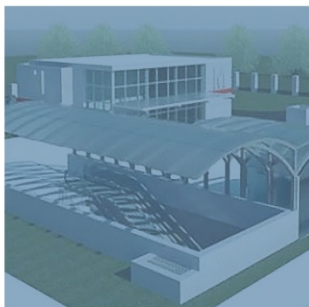
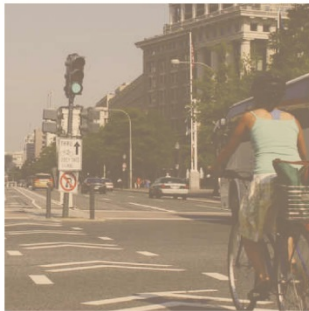


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MESSAGE FROM THE CHAIRMAN



The National Capital Planning Commission is the federal government's central planning agency for the National Capital Region. The Commission provides overall planning guidance for federal land and buildings in the region. It also reviews the design of federal construction projects, oversees long-range planning for future development, and monitors capital investment by federal agencies.

Through diligent work of the staff, NCPC continued to successfully accomplish its core mission albeit with limited financial resources. NCPC relied considerably on creativity and collaboration to maximize success. NCPC leveraged partnerships with federal and local agencies to achieve efficiencies. NCPC maximized its use of social media, speaker series events, the agency's website and e-newsletter as means to better engage the public.

During the year, NCPC reviewed over 100 development proposals and plans in the National Capital Region as part of its project planning and review responsibilities. NCPC updated the Visitors and Commemoration and the Foreign Missions and International Organizations Elements of the *Comprehensive Plan for the National Capital: Federal Elements*. Each element is a statement of principles, goals, and planning policies for growth and development of the national capital during the next 20 years.

NCPC prepared a highly sensitive report concerning the Height of Buildings Study, and assisted in the drafting of testimony for a Congressional Hearing: "Changes to the Height Act: Shaping Washington, D.C., for the Future..." These efforts ultimately led to Congress passing legislation amending the 1910 Heights of Building Act, largely reflecting the core recommendations of NCPC. The President signed this legislation into law.

NCPC continued to ensure that its resources were well managed with the proper oversight. The performance and financial data in this report is reliable and complete and consistent with the guidance provided by the Office of Management and Budget. For the FY 2014 independent financial audit on NCPC's consolidated financial management statements, we received our 10th consecutive unmodified opinion, the highest audit opinion available. Based on the independent auditor's unmodified opinion and the absence of any material internal control weaknesses, I can provide reasonable assurance that the objectives of the Federal Manager's Financial Integrity Act have been met and that NCPC's financial systems conform to government-wide standards.

All of us at the NCPC look forward to continuing our work to provide overall planning guidance for federal land and buildings in the region. We are proud of the agency's accomplishments and we look forward to reporting further progress.

Sincerely,

A handwritten signature in black ink, appearing to read "L. Preston Bryant, Jr.", written in a cursive style.

L. Preston Bryant, Jr.
Chairman

PART I: MANAGEMENT'S DISCUSSION AND ANALYSIS

NCPC at a Glance

The National Capital Planning Commission (NCPC) was established in 1924 as a park-planning agency. Two years later its role was expanded to include comprehensive planning. In 1952, under the National Capital Planning Act, NCPC was designated the central planning agency for the federal government responsible for all property in the District of Columbia, and all federal property in the National Capital Region (NCR).

In 1973, the National Capital Planning Act was amended by the D.C. Home Rule Act, which made the Mayor the chief planner for private development in the District of Columbia, and maintained NCPC as the central planning agency for all federal lands and facilities in the District of Columbia and the NCR.

The agency is governed by a 12-member Commission that includes three presidential appointees, one of whom is designated by the President to serve as Chairman; two mayoral appointees; a representative of the three major federal landholding agencies (the Department of Defense, the Department of the Interior, and the General Services Administration); one member of the U.S. Senate; one member of the U.S. House of Representatives; the Mayor of the District of Columbia; and the Chairman of the City Council of the District of Columbia.

Mission Statement

The National Capital Planning Commission preserves and enhances the extraordinary historical, cultural, and natural resources and federal assets of the National Capital Region to support the needs of the federal government and enrich the lives of the region's residents, workers, and visitors.

NCPC, through planning, policymaking, and plan review, defines and protects both federal interests and broader national interests in the development of the National Capital Region. The federal interest is wide-ranging and multifaceted, from ensuring that government agencies have adequate facilities and their employees have quality workplaces, to protecting the environment, public parks, and the region's historic resources.

NCPC encourages efficient transportation and smart growth, accommodates the needs of foreign missions, and balances security elements with urban planning principles. NCPC also incorporates broader national interests into its planning guidance. This includes safeguarding the visual preeminence of Washington's iconic civic and symbolic structures, such as its national monuments, which have contributed to the identity of our nation's capital for over 200 years. It also includes enhancing the visitor's experiences within and around Washington's federal buildings, commemorative works, and national parks.

Strategic Goals

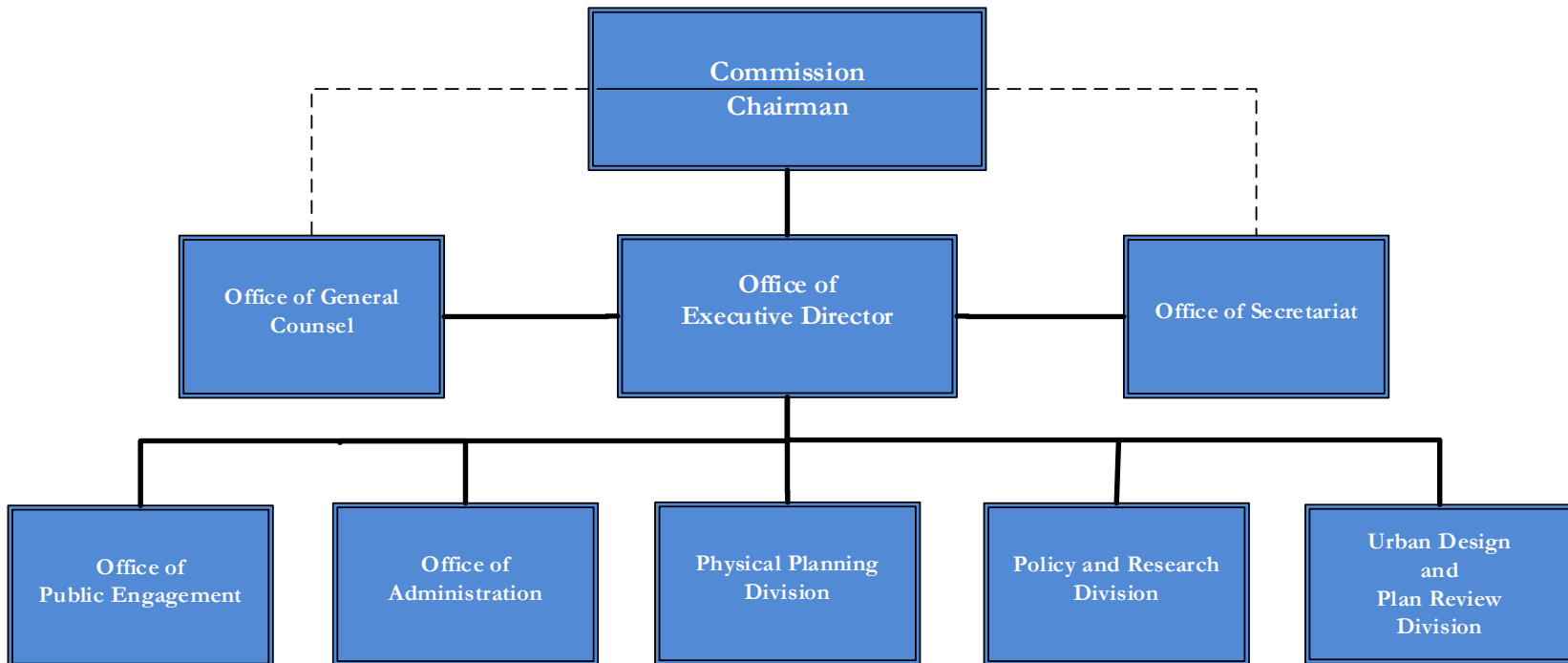
1. By crafting plans and policies that employ the highest standards of urban design and planning, the National Capital Planning Commission will define the federal government's interest in the long-term development of the National Capital Region.

2. NCPC will review proposals subject to Commission approval or advice to determine whether they are consistent with the federal interest, and we will represent the federal interest on local and regional planning bodies.
3. NCPC will inform the public of its activities, encourage citizens to become involved in the planning process, and participate in broader professional discussions at local, national, and international levels.
4. NCPC will build consensus and facilitate cooperation among citizens, public interest groups, nongovernmental organizations, and governmental agencies to shepherd plans and policies toward fruition.
5. To respond to the changing planning needs of the National Capital Region, NCPC will embrace the best practices for the continual development of its human resources, work processes, and technology.

National Capital Planning Commission

Organizational Chart

September 2014



NCPC Organizational Overviews

Office of the Executive Director

The Office of the Executive Director provides the 12-member Commission with planning expertise and policy recommendations, guides the agency in fulfilling its mission and principal objectives, sets agency priorities, oversees the day-to-day operations, represents the agency before Congress and the Office of Management and Budget and serves as the liaison with federal, state and regional agencies as well as professional organizations and planning boards.

Office of the Secretariat

The Office of the Secretariat acts as a primary liaison with the Chairman and members of the Commission. It prepares notices, agendas, memoranda of action, and other materials related to Commission meetings; assists in responding to federal and local agencies and the public regarding agenda items and subsequent actions of the Commission; and advises the presiding officer at Commission meetings on Commission by-laws and standing rules of procedures.

Office of the General Counsel

The Office of the General Counsel advises the Commission, Executive Director, and staff on the statutory powers, duties, and functions of the Commission and on legal questions in the fields of planning, plan review, environment, transportation, zoning, open space, and landmarks preservation. It also reviews and prepares litigation reports, serves as the Ethics and Privacy Officer, responds to Freedom of Information Act requests and ensures compliance with federal laws.

Office of Public Engagement

The Office of Public Engagement prepares and disseminates materials and information to educate the general public and specialized audiences about planning and development in the national capital. The Office seeks to involve local, national, and international audiences in the planning process; responds to the media and general public regarding specific plans and projects pending before the Commission; executes public outreach programs that advance the Commission's goals; and provides the public with information through the agency's website and social media.

Office of Administration

The Office of Administration provides day-to-day operations and support to the Commission and staff in the areas of human resources; financial management and accounting; budget formulation, execution, and control; procurement and contracting; space and facilities management; property and inventory control; and other general administrative functions. The office is also responsible for the Commission's technical support systems, information security, communication systems, software application training and information technology (IT) policy and planning.

Policy and Research Division

The Policy and Research Division is responsible for identifying critical issues and opportunities facing the federal government in the National Capital Region, evaluating policy options and priorities, and working with Commission and other partners in developing an agenda for public and private action. The work of the Policy and Research Division includes developing and updating the Comprehensive Plan, preparing the Federal Capital Improvement Program and conducting research on important federal interests in the region.

Physical Planning Division

The Physical Planning Division is responsible for guiding the design, visualization and implementation of Commission policies that are focused on a specific geography. The goal is to advance the federal interest and enhance the livability, human scale, and cultural treasures of the Nation's Capital. The initiatives that are undertaken by the Physical Planning Division range from specific sites to districts encompassing several neighborhoods.

Urban Design and Plan Review Division

The Urban Design and Plan Review Division coordinates and reviews development plans and projects of federal agencies, District of Columbia agencies, and other local jurisdictions in the NCR. It also provides professional and technical planning expertise in urban design, historic preservation, environment/energy, transportation, zoning, and land use to federal, state, and District agencies; and coordinates federal plans with local, state and regional planning partners.

Program Performance Overview

During FY 2014, NCPC pursued a number of initiatives in addition to performing its regulatory and statutory responsibilities. The following are a few examples of the major activities undertaken. A more inclusive representation is provided in Part II: Performance Section of this report.

As the central planning agency for the federal government in the National Capital Region, the NCPC is charged with planning for the appropriate and orderly development of the national capital and the conservation of its important natural and historical features. Title 40 USC §8721 requires that NCPC prepare and adopt a “comprehensive, consistent, and coordinated plan for the National Capital.” NCPC’s *Comprehensive Plan for the National Capital: Federal Elements* provides a blueprint for the long-term development of the national capital, which guides Commission action on the plans and proposals submitted for its review. For FY 2014, NCPC continued its work updating the *Comprehensive Plan for the National Capital: Federal Elements*. The Commission adopted the Visitors and Commemoration Element and the Foreign Missions and International Organizations Element.

Exercising its plan and project review responsibilities, the Commission reviewed the urban design, environmental, transportation and historic preservation implications for 101 projects. These projects included master plans and project plans for federal and District of Columbia installations and public buildings; site and design proposals for commemorative works in the District of Columbia and its environs; and proposed amendments to the District of Columbia zoning map, zoning regulations, and highway plan amendments, including street and alley closings, for their impact on the federal interests.

In accordance with OMB Circular A-11 and the National Capital Planning Act, agencies are required to submit to the Commission a program of capital improvements for projects within the National Capital and environs. The Commission evaluates agencies’ capital projects and makes recommendations in the six-year Federal Capital Improvements Program (FCIP). These recommendations are provided to OMB for its use while reaching budgetary decisions on these projects. The Commission adopted and submitted to OMB the FY 2014-FY 2019 and the FY 2015-2020 Federal Capital Improvements Programs, containing 101 and 92 proposed federal projects totaling \$4.4 billion and \$3.2 billion, respectively.

At the request of U.S. House of Representatives Committee on Oversight and Government Reform, NCPC as part of the Height of Buildings Act Study, finalized a highly sensitive report; and assisted in the drafting of testimony for a Congressional Hearing: “Changes to the Height Act: Shaping Washington, D.C., for the Future...” These efforts ultimately lead to Congress passing legislation amending the 1910 Heights of Building Act, largely reflecting the core recommendations of NCPC.

In furtherance of our efforts to define the federal government’s interest in the long-term development of the National Capital, NCPC initiated a partnership involving 10 federal and local agencies for improvements to Pennsylvania Avenue, 3rd to 15th Streets, NW.

The Commission also continued to advance the Monumental Core Framework Plan’s Action Agenda. In this regard, the agency facilitated an urban leadership partnership among NCPC,

GSA and the District to include the SW Ecodistrict Initiative in the National Ecodistrict Organization's Target Cities Program – a Commitment of the Clinton Global Initiative.

NCPC developed concept designs for the 10th Street corridor and a pedestrian connection at Banneker Park (a reservation owned by the National Park Service) to strengthen the connection between the National Mall and the SW Waterfront.

NCPC advanced the Agency's Speaker Series with presentations on Planning Law & Order: Talk vs. Action; Washington's Civil War Forts and Parks; and Pennsylvania Avenue Kickoff. In an effort to keep the public informed about the importance of planning for the national capital and its many natural resources, NCPC staff participated in numerous panel discussions, symposiums, conferences and interviews with national and local media and representatives of professional publications.

NCPC continued to serve as an active member of the Board of Zoning Adjustment (BZA) and the Foreign Missions Board of Zoning Adjustment (FMBZA). BZA is responsible for granting relief from strict application zoning regulations, approving certain uses of land, and hearing appeals of land, and hearing appeals of action taken by the Zoning Administrator. FMBZA reviews the location, expansion, or replacement of chanceries in certain mixed-use areas in the District of Columbia.

NCPC continued to serve as a member of the National Capital Memorial Advisory Commission advising the Secretary of the Interior and the Administrator of General Services on policy and procedures for the establishment of commemorative works in the District and its environs.

Financial Statement Analysis

NCPC's financial position as of September 30, 2014 was strong but differed with its financial position as of September 30, 2013.

Balance Sheet: (In thousands)

	Fiscal Year 2014	Fiscal Year 2013	Variance	Percentage Inc/(Dec)
Total Assets	\$3,188	\$2,587	\$601	23.23%

As in prior Fiscal Years, Fund Balance with Treasury (FBWT) was the bulk of NCPC's assets. The net increase in Total Assets from Fiscal Year 2013 to Fiscal Year 2014 was \$601, 23.23%. The types of FBWT transactions incurred in Fiscal Year 2014 were largely consistent with the types of FBWT transactions incurred in Fiscal Year 2013, with the exception of the Sequester Rescission in Fiscal Year 2013.

The majority of the \$601 increase in Total Assets is due to the \$737 increase in Fund Balance with Treasury. This is also reflected in the \$796 increase in the undisbursed obligated balance due to expenditure-related transactions. In Fiscal Year 2013, the enactment of a \$410 Sequester Rescission and a \$16 Across-the-Board Rescission (ATB) significantly reduced NCPC's annual funding. In Fiscal Year 2014, \$369 of NCPC's annual funding, 50.06% of the increase in Fund Balance with Treasury, was restored and undisbursed at the conclusion of the Fiscal Year. The remainder of the increase in Fund Balance with Treasury and the undisbursed obligated balance is due to the decrease in the liquidation rate of obligations incurred in the current year.

Finally, in Fiscal Year 2014, Total Assets was reduced \$136 by the depreciation of essential facilities and equipment improvement projects completed in Fiscal Year 2013 and Fiscal Year 2012.

	Fiscal Year 2014	Fiscal Year 2013	Variance	Percentage Inc/(Dec)
Total Liabilities	\$1,709	\$1,852	\$(143)	(7.72)%

The types of liability transactions that NCPC incurred in Fiscal Year 2014 were consistent with the types of transactions incurred in Fiscal Year 2013. NCPC's normal liability categories are accounts payable, accrued pay and benefits, unfunded payroll, and unfunded liability with GSA due to amortization of Rent Expense tied to the lease executed in Fiscal Year 2011.

Accounts Payable with other federal agencies and the public decreased \$78, (20.36)% as compared to Fiscal Year 2013. The majority of the net increase was due to the \$95 decrease in accounts payable accruals with other federal agencies. Estimated accounts payable for services rendered, but un-invoiced, was significantly less in Fiscal Year 2014 than in Fiscal Year 2013. At the conclusion of Fiscal Year 2013, the General Services Administration (GSA) was estimated to be \$65 in arrears for reimbursable services rendered for the 10th Street Revitalization Plan project and \$24 in arrears for the AV room upgrade. At the conclusion of Fiscal Year 2014, GSA was estimated to be only \$20 in arrears for the 10th Street Revitalization project. The remainder of the \$95 decrease in accounts payable accruals with other federal agencies was a net reduction in the Real Estate Tax Escalation accrual with GSA. At the conclusion of Fiscal Year 2013, GSA had not invoiced NCPC for the Real Estate Tax Escalation provision in the operating lease for 401 9th Street, NW, suite 500, since Fiscal Year 2010. In Fiscal Year 2014, GSA invoiced NCPC \$67 for prior Fiscal Years and accrued an additional \$34 for Fiscal Year 2014.

Finally, in Fiscal Year 2014, NCPC amortized \$79 of the unfunded liability with GSA due to the accounting treatment of lease expense under the 10-year operating lease executed in December 2010.

Statement of Net Cost: (In thousands)

	Fiscal Year 2014	Fiscal Year 2013	Variance	Percentage Inc/(Dec)
Gross Costs	\$7,521	\$8,164	\$(643)	(7.87)%

The types of expenditure transactions incurred in Fiscal Year 2014 were largely consistent with the types of expenditure transactions incurred in Fiscal Year 2013. Consistent with Fiscal Year 2013, personnel costs decreased from Fiscal Year 2013 to Fiscal Year 2014. As a result of vacancy management, NCPC incurred \$129 less in personnel costs, (2.65)% as compared to Fiscal Year 2013. The combined change in the estimated accounts payable accrual and the Real Estate Tax Escalation accrual decreased \$143 over Fiscal Year 2013. As discussed in Fund Balance with Treasury, and as indicated by the increase in the undisbursed obligated balance as the result of expenditure-related transactions, the remainder is due to a decrease in the liquidation rate of current year obligations incurred, net of the \$369 increase in annual funding over Fiscal Year 2013.

Statement of Budgetary Resources: (In Thousands)

Budgetary Resources	Fiscal Year 2014	Fiscal Year 2013	Variance	Percentage Inc/(Dec)
Net Appropriation	\$8,084	\$7,715	\$369	4.78%
Recoveries of Prior Year Unpaid Obligations	\$ 292	\$ 112	\$180	160.71%

The types of budget authority that NCPC received in Fiscal Year 2014 were consistent with the types of budget authority that NCPC received in Fiscal Year 2013. NCPC has one primary source of budget authority, annual appropriations. NCPC occasionally receives reimbursable authority from agreements to provide goods or services to other federal agencies and the District of Columbia on a reimbursable basis. NCPC did not enter into any new reimbursable agreements in Fiscal Year 2014 or Fiscal Year 2013.

As discussed in Fund Balance with Treasury, NCPC received a significantly reduced net annual appropriation in Fiscal Year 2013. A \$410 Sequester rescission and a \$16 ATB rescission were enacted in Fiscal Year 2013. All but \$57 of annual authority was restored in Fiscal Year 2014.

Recoveries of unpaid obligations increased \$180, 160.71% over Fiscal Year 2013. \$175 of the increase was due to the de-obligation of the remaining balance of two contracts for information security services when the vendor went out-of-business and could not complete the awarded services.

Status of Budgetary Resources	Fiscal Year 2014	Fiscal Year 2013	Variance	Percentage Inc/(Dec)
Obligations Incurred	\$8,057	\$7,656	\$401	5.23%
Unobligated Balance, End of Year, Unapportioned	\$ 676	\$ 443	\$233	52.59%

The types of direct obligations incurred in Fiscal Year 2014 were largely consistent with the types of obligation transactions incurred in Fiscal Year 2013.

Consistent with Fiscal Year 2013 and previous Fiscal Years, the majority of the obligations incurred in Fiscal Year 2014 covered: 1) pay and benefits; and 2) the cost of leased real estate. The combined cost of these items was \$6,179, 76.43% of annual funding. In Fiscal Year 2013, the combined cost of these items was 81.6% of annual funding. The \$369 increase in annual funding is reflected in the \$401 increase in obligations incurred and built into the variances discussed in this section:

- The \$131 decrease in personnel compensation and benefits was offset by the \$119 increase in professional service contracts for project planning assistance and \$44 for training.
- Of the \$369 remaining increase in obligations incurred, \$126 was to acquire additional administrative professional services to advance compliance requirements, \$98 was consumed in the administrative management of the agency, and \$145 was to acquire Equipment and software to improve the network and implement a more secure virtual environment.

Prudent financial management continues to be a high priority for NCPC. Over the Fiscal Years, unobligated authority slowly decreased as expired Fiscal Years with larger unobligated balances reached cancelled status. As in Fiscal Year 2013, in Fiscal Year 2014, unobligated authority increased. \$86 of expired authority was cancelled, but \$319 of unobligated authority was increased due to the addition of the unobligated balance of the Fiscal Year 2014 appropriation, \$58, and a \$261 increase in expired authority due to prior year recoveries of expired authority in all remaining appropriated funds. As mentioned in the Budgetary Resources, \$175 of prior year recoveries were due to the de-obligation of the remaining balance of two contracts for information security services when the vendor went out-of-business and could not complete the awarded services.

Budget Authority and Outlays, Net	Fiscal Year 2014	Fiscal Year 2013	Variance	Percentage Inc/(Dec)
Outlays, Gross	\$7,261	\$8,646	\$(1,385)	(16.01)%

The types of outlays in Fiscal Year 2014 were largely consistent with the types of outlay transactions in Fiscal Year 2013. Outlays for personnel compensation and benefits and the cost of leased property decreased \$288. \$533 of the project expenditures accrued in Fiscal Year 2012 were invoiced by the vendors and disbursed in Fiscal Year 2013 with no like disbursement in Fiscal Year 2014. In addition, as expected, as in Fiscal Year 2013, there was also a \$160 decrease in outlays for new facility maintenance and equipment and software purchases in the wake of the essential facility and equipment upgrades obligated in Fiscal Year 2011. The majority of the decrease in outlays was due to the \$322 decrease in outlays for professional services, \$314 of which was for project planning assistance. Finally, as mentioned in Fund Balance with Treasury, disbursements decreased over Fiscal Year 2013 due to a decrease in the liquidation rate of current year obligations incurred, resulting in an increase in the undisbursed obligated balance due to expenditure-related transactions. The increase in obligations incurred retained in the undisbursed obligated balance will contribute to an increase in gross outlays in future fiscal years as those obligations are liquidated.

Management Controls, Systems, and Compliance

Federal Managers' Financial Integrity Act (FMFIA)

The FMFIA requires federal agencies to provide an annual statement of assurance regarding management controls and financial systems. The statement of assurance is provided in the Chairman's message at the beginning of the Performance and Accountability Report. This statement is based on the review and consideration of internal analyses, reconciliations and the independent auditor's opinion on the NCPC's financial statements.

Prompt Payment Act

The Prompt Payment Act requires federal agencies to make timely payments to vendors, including any interest penalties for late invoice payments. In FY 2014, the NCPC did not have any interest penalties associated with the Act.

Federal Financial Management Improvement Act (FFMIA)

The National Capital Planning Commission is a federal agency subject to the Accountability of Tax Dollars Act, 2002. Agencies subject to the ATDA are not subject to the requirements of FFMIA.

Improper Payments Information Act

The Improper Payments Information Act (Public Law (P.L. No. 107-300), as amended by the Improper Payments Elimination and Recovery Act of 2010 (IPERA) (P.L. No. 111-204) defines requirements to reduce improper/erroneous payments made by the federal government.

OMB Memorandum M-11-16, dated April 14, 2011 issued government-wide IPERA guidance. Under IPERA, agencies are required to: 1) conduct reviews of all programs at a minimum of every three years to assess the risk of significant improper payments; 2) obtain a statistically valid estimate of the annual amount of improper payments for those programs identified to be at significant risk; 3) identify the reasons the identified significant-risk programs are at risk and implement a plan to reduce improper payments; 4) comply with specific reporting requirements for programs that possess a significant risk of erroneous payments; and 5) if cost-effective, conduct recovery audits for each program that expends \$1 million or more annually and report the results of recovery auditing activities. Intra-governmental payments and payments to employees are excluded from review.

A significant erroneous payment is defined as “gross annual improper payments (i.e., the total amount of overpayments plus underpayments) in the program exceeding (1) both 2.5 percent of program outlays and \$10,000,000 of all program or activity payments made during the fiscal year reported or (2) \$100,000,000 (regardless of the improper payment percentage of total program outlays). The new law establishes a 2.5 percent improper payment rate threshold to determine risk susceptible programs (in addition to the monetary threshold identified above). OMB has determined as a policy matter that, beginning with fiscal year 2013 reporting, agencies should instead apply a 1.5 percent improper payment rate (with other aspects of the above definition unchanged).”

NCPC has not identified any programs where significant erroneous payments have occurred within the agency. The agency will continue to conduct reviews and comply with reporting requirements in accordance with IPERA and OMB guidance.

PART II: PERFORMANCE SECTION

FY 2014 Annual Performance Report

The Commission's Fiscal Year 2014 Performance Report links the agency's funding to its goals and accomplishments and demonstrates its continued commitment to shaping and preserving a capital worthy of the nation. The agency continued its partnerships with federal and local agencies on major initiatives that support its long-range plans, continued integrating urban design and security objectives into projects in the monumental core and throughout the District, and completed the Federal Capital Improvements Program.

For Fiscal Year 2014, NCPC successfully met its performance goals and targets promulgated in its Strategic Plan for 2009 – 2014.

Strategic Goal #1:

By crafting plans and policies that employ the highest standards of urban design and planning, the National Capital Planning Commission will define the federal government's interest in the long-term development of the National Capital Region.

In FY 2014, NCPC:

- Adopted and published on its website the Visitor and Commemoration Element and the Foreign Missions and International Organizations Element of the *Comprehensive Plan for the National Capital: Federal Elements*.
- Initiated a partnership with GSA and NPS to plan improvements to and along Pennsylvania Avenue between the U.S. Capitol and the White House (3rd to 15th Streets, NW).
- In partnership with the Cultural Tourism DC completed the Foggy Bottom-Northwest Rectangle Heritage Trail Study.
- Developed concept designs for the 10th Street corridor and a pedestrian connection at Banneker Park (a reservation owned by the National Park Service) to strengthen the connection between the National Mall and the SW Waterfront.
- Completed development of the 2014-2019 and 2015-2020 Federal Capital Improvements Programs for submission to OMB.
- Reviewed the District of Columbia and other regional Capital Improvements Programs.
- Provided extensive comments to the District of Columbia Office of Planning on the Zoning Rewrite including CAD modeling.

Strategic Goal #2:

NCPC will review proposals subject to Commission approval or advice to determine whether they are consistent with the federal interest and we will represent the federal interest on local and regional planning bodies.

In FY 2014, NCPC: Approved and commented on 101 planning projects and urban design proposals to include:

- The final master plan for the Naval Support Activity Bethesda, Maryland, Joint Base Myer-Henderson Hall.
- Draft master plans for Joint Base Anacostia – Bolling, Washington Navy Yard, and the Naval Support Activity Naval Observatory.
- Preliminary plans for site improvements and perimeter security for the People’s Garden at the Whitten Federal Building.
- Concept design for the reconstruction of the South Capitol Street corridor.
- Concept design for the DC Streetcar barn and training center.
- Final plans for the redevelopment of the Old Post Office.
- Preliminary plans for the building modernization and expansion of the Consumer Financial Protection Bureau Headquarters.
- Concept plans for the building expansion of the John F. Kennedy Center for the Performing Arts.
- Preliminary plans for the visitor screening facility at the Washington Monument.
- Preliminary plans for perimeter security and site improvements at the American Pharmacists Association Building.
- Final plans for the Chuck Brown Memorial Park.
- A number of Planned Unit Developments that were consistent with the Comprehensive Plan.

Strategic Goal #3:

NCPC will inform the public of its activities, encourage citizens to become involved in the planning process, and participate in broader professional discussions at local, national, and international levels.

In FY 2014, NCPC:

- Completed and published the Height Master Plan.
- Completed and published the SW Ecodistrict Addendum.
- Developed an outreach schedule for major initiatives including the Height Master Plan; SW Ecodistrict; Sustainability and Climate Adaptation; Pennsylvania Avenue and the Comprehensive Plan.
- Advanced the Agency's Speaker Series with presentations on Planning Law & Order; Talk vs. Action; Washington's Civil War Forts and Parks; and Pennsylvania Avenue Kickoff.
- Hosted numerous foreign delegations, providing an overview of NCPC's work in the nation's capital and exchanging ideas with international planning professionals.
- Developed and distributed E-Newsletter and other informational publications.
- Responded to numerous public requests for information and participated in interviews with national and local media and professional publications; and educated key national and local audiences on the agency's initiatives and sought feedback to help shape the projects.
- Published the Agency's 2013 Annual Report.
- Maintained an archive of Commission Actions on the agency's website dating back to 2003.

Strategic Goal #4:

NCPC will build consensus and facilitate cooperation among citizens, public interest groups, nongovernmental organizations, and governmental agencies to shepherd plans and policies toward fruition.

In FY 2014, NCPC:

- Completed Phase 1 of the master plan to transform the Walter Reed Army Medical Center Campus into a site that accommodates future international chanceries and a sustainable mixed-use community.
- Completed the findings of the Federal Stormwater Study and Flood-proofing and established the Monumental Core Adaptation Working Group.
- Served on the Interagency Security Committee to address challenges of physical security around federal buildings.
- Served as a member of the National Capital Memorial Advisory Commission advising the Secretary of the Interior and the Administrator of General Services on policy and procedures for the establishment of commemorative works in the District and its environs.
- Fulfilled legislative requirements and promoted the agency's interests through representation on regional boards and commissions, including the Metropolitan Washington Council of Governments (MWCOG), the D.C. Board of Zoning Adjustment, and the Foreign Missions Board of Zoning Adjustment (FMBZA).

Strategic Goal #5:

To respond to the changing planning needs of the National Capital Region, NCPC will embrace the best practices for the continual development of its human resources, work processes, and technology.

In FY 2014, NCPC:

- Developed the NCPC 2015-2018 Strategic Plan, setting forth the goals that chart the agency's course and the strategies to gauge success.
- Completed NCPC's 2014 Annual Training Plan, providing a comprehensive view of the training essential to building and maintaining a cadre of employees with the competencies to achieve the agency's mission.
- Revised NCPC's Succession Plan, providing a systematic approach to ensuring that qualified candidates are available to fill vacancies in a minimal amount of time.
- Updated the agency's information security program, policy and procedures.
- Updated the Standard Operating Procedures related to the Preparation and Approval of Non-Intra-governmental Payment Bathes and Submission to the United States Department of Treasury Secure Payment System and Closing the Prior Fiscal Year and Opening the New Fiscal Year.
- Developed new Asset Management Inventory Control and Audit Procedures.
- Achieved a "Green" rating from the Department of Treasury for financial management and accounting practices, internal controls and financial reporting each quarter of FY 2014.
- Completed an audit of its FY 2013 financial statements and received an unmodified audit opinion and a report of no material weaknesses.

PART III: FINANCIAL SECTION

MESSAGE FROM THE CHIEF OPERATING OFFICER



The National Capital Planning Commission (NCPC) takes seriously its responsibility for the execution of its mission and the stewardship of its resources. Like many federal agencies during Fiscal Year (FY) 2014, NCPC saw a decline in resources due to the implementation of cost cutting measures across the government. Consequently, stewardship of limited resources demanded superior financial performance and reporting.

I am pleased to present the financial statements for NCPC's FY 2014 Performance and Accountability Report (PAR); and affirm that an independent auditor has rendered an unmodified opinion on the NCPC's financial statements. The auditor did not identify any deficiencies in internal control nor disclose noncompliance with pertinent provisions of laws and regulations. These findings are exceptionally noteworthy since they represent the tenth consecutive year the agency has received similar results.

The FY 2014 PAR validates our efforts to present the Agency's financial position and to provide the public a full understanding of the activities and challenges of the NCPC in FY 2014. Despite limited resources, the NCPC continued to improve the effectiveness of financial management across the organization, implementing business process improvements to tighten controls.

During FY 2014, the NCPC updated its financial control and reporting framework to align with the revised strategic plan and budget structure. For each quarter of the fiscal year, the NCPC received green on the Department of Treasury's scorecard system for accuracy and timeliness of reporting. Critical to its operations, the NCPC maintained a relationship with an outside accounting firm to administer various financial management and accounting functions. The firm assisted NCPC in the day-to-day transactional budget and accounting work, as well as the development of new policies and procedures to improve financial management and internal controls. This relationship has enhanced NCPC's financial management effectiveness greatly. The NCPC's financial management operations were further enhanced through the active involvement of the Senior Management Council, a body whose primary responsibility is financial management oversight.

NCPC's financial condition is sound and has sufficient internal controls to ensure that its budget authority is not exceeded and its funds are used efficiently and effectively. The independent auditor, Chortek LLP has determined that the financial statements, included in this report, are accurate and complete, in all material respects, and in conformity with U.S. Generally Accepted Accounting Principles.

I am proud of our progress during the past year; and committed to future enhancements to ensure the preparation of timely, accurate, reliable, and transparent financial information.

Sincerely,

A handwritten signature in black ink, appearing to read "Barry S. Smith". The signature is fluid and cursive, written on a white background.

Chief Operating Officer

November 13, 2014

Independent Auditor's Report

Chairman, Commissioners,
Executive Director and Chief Operating Officer
National Capital Planning Commission
Washington, DC

Report on the Financial Statements

We have audited the accompanying financial statements of the National Capital Planning Commission ("NCPC"), which comprise the consolidated balance sheets as of September 30, 2014 and 2013, the related consolidated statements of net cost and changes in net position, and combined budgetary resources for the years then ended, and the related notes to the financial statements (hereinafter referred to as "financial statements").

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and Office of Management and Budget ("OMB") Bulletin No. 14-02, *Audit Requirements for Federal Financial Statements*. Those standards and OMB Bulletin No. 14-02 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of NCPC's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting

estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the Financial Statements

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the National Capital Planning Commission as of September 30, 2014 and 2013, and its net costs, changes in net position, and budgetary resources for the years then ended in accordance with U.S. generally accepted accounting principles.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the information in the Management's Discussion and Analysis section be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Federal Accounting Standards Advisory Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming an opinion on the basic financial statements as a whole. The Chairman's message and other information sections of NCPC's *Performance and Accountability Report* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered NCPC's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of NCPC's internal control. Accordingly, we do not express an opinion on

the effectiveness of NCPC's internal control. We did not test all internal controls relevant to operating objectives as broadly defined by the *Federal Managers' Financial Integrity Act of 1982*.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether NCPC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts, and certain provisions of other laws and regulations specified in OMB Bulletin No. 14-02. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests of compliance disclosed no instances of noncompliance or other matters that are required to be reported herein under *Government Auditing Standards* or OMB Bulletin No. 14-02.

Purpose of the Other Reporting Required by Government Auditing Standards

The purpose of the communication described in the Other Reporting Required by *Government Auditing Standards* section is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of NCPC's internal control or compliance. Accordingly, this communication is not suitable for any other purpose.

Chortek LLP

Chortek LLP
Washington, DC

Financial Statements

NATIONAL CAPITAL PLANNING COMMISSION BALANCE SHEETS

As of September 30, 2014 and 2013

(Dollars in Thousands)

	FY 2014	FY 2013
Assets (Note 3)		
Intragovernmental Assets:		
Fund Balance with Treasury (Note 4)	\$ 2,504	\$ 1,767
Total Intragovernmental Assets:	2,504	1,767
General Property, Plant and Equipment, Net (Note 5)	684	820
Total Assets	\$ 3,188	\$ 2,587
Liabilities (Note 6)		
Intragovernmental Liabilities:		
Accounts Payable	\$ 213	\$ 308
Other Intragovernmental Liabilities (Note 7)	1,034	1,111
Total Intragovernmental Liabilities:	1,247	1,419
Accounts Payable	92	75
Other Liabilities (Note 7)	370	358
Total Liabilities	\$ 1,709	\$ 1,852
Net Position		
Unexpended Appropriations - Funds from Dedicated Collections	-	-
Unexpended Appropriations - All Other Funds	2,074	1,268
Cumulative Results - Funds from Dedicated Collections	-	-
Cumulative Results - All Other Funds	(595)	(533)
Total Net Position - Funds from Dedicated Collections	\$ -	\$ -
Total Net Position - All Other Funds	\$ 1,479	\$ 735
Total Net Position	\$ 1,479	\$ 735
Total Liabilities and Net Position	\$ 3,188	\$ 2,587

The accompanying notes are an integral part of these financial statements

NATIONAL CAPITAL PLANNING COMMISSION
STATEMENTS OF NET COST
For the Years ended September 30, 2014 and 2013

(Dollars in Thousands)

	<u>FY 2014</u>	<u>FY 2013</u>
Program Costs (Note 9):		
Project Planning:		
Gross Costs	\$ <u>3,048</u>	\$ <u>3,650</u>
Net Program Costs	\$ <u>3,048</u>	\$ <u>3,650</u>
Comprehensive Planning:		
Gross Costs	\$ <u>1,076</u>	\$ <u>535</u>
Net Program Costs	\$ <u>1,076</u>	\$ <u>535</u>
Federal Capital Improvements Program:		
Gross Costs	\$ <u>157</u>	\$ <u>183</u>
Net Program Costs	\$ <u>157</u>	\$ <u>183</u>
Planning Operations:		
Gross Costs	\$ <u>3,240</u>	\$ <u>3,796</u>
Net Program Costs	\$ <u>3,240</u>	\$ <u>3,796</u>
Net Program Costs Including Assumption Changes	\$ <u>7,521</u>	\$ <u>8,164</u>
Net Cost of Operations	\$ <u>7,521</u>	\$ <u>8,164</u>

The accompanying notes are an integral part of these financial statements

NATIONAL CAPITAL PLANNING COMMISSION
STATEMENT OF CHANGES IN NET POSITION
For the Year Ended September 30, 2014

(Dollars in Thousands)

	FY 2014 All Other	FY 2013 All Other
Cumulative Results of Operations:		
Beginning Balances	\$ (533)	\$ (607)
Beginning Balances, As Adjusted	(533)	(607)
Budgetary Financing Sources:		
Appropriations Used	7,193	7,958
Other Financing Sources:		
Imputed Financing From Costs Absorbed by Others	266	280
Total Financing Sources	7,459	8,238
Net Cost of Operations (+/-)	(7,521)	(8,164)
Net Change	(62)	74
Cumulative Results of Operations	\$ (595)	\$ (533)
Unexpended Appropriations:		
Beginning Balances	\$ 1,268	\$ 1,577
Beginning Balances, As Adjusted	1,268	1,577
Budgetary Financing Sources:		
Appropriations Received	8,084	8,141
Other Adjustments (Rescissions, etc.) (+/-)	(85)	(492)
Appropriations Used	(7,193)	(7,958)
Total Budgetary Financing Sources	806	(309)
Total Unexpended Appropriations	\$ 2,074	\$ 1,268
Net Position	\$ 1,479	\$ 735

The accompanying notes are an integral part of these financial statements

NATIONAL CAPITAL PLANNING COMMISSION
STATEMENTS OF BUDGETARY RESOURCES
For the Years Ended September 30, 2014 and 2013

(Dollars in Thousands)

	FY 2014 Total Budgetary	FY 2013 Total Budgetary
Budgetary Resources:		
Unobligated Balance Brought Forward, Oct 1	\$ 443	\$ 335
Unobligated Balance Brought Forward, Oct 1, as Adjusted	443	335
Recoveries of Prior Year Unpaid Obligations	292	112
Other Changes in Unobligated Balance (+ or -)	(86)	(66)
Unobligated Balance From Prior Year Budget Authority, Net	649	381
Appropriations (Discretionary and Mandatory)	8,084	7,715
Spending Authority From Offsetting Collections (Discretionary and Mandatory)	-	3
Total Budgetary Resources	\$ 8,733	\$ 8,099
Status of Budgetary Resources:		
Obligations Incurred (Note 10)	\$ 8,057	\$ 7,656
Unobligated Balance, End of Year:		
Unapportioned	676	443
Total Unobligated Balance, End of Year	676	443
Total Status of Budgetary Resources	\$ 8,733	\$ 8,099
Change in Obligated Balance:		
Unpaid Obligations:		
Unpaid Obligations, Brought Forward, Oct 1	\$ 1,324	\$ 2,426
Obligations Incurred	8,057	7,656
Outlays (Gross) (-)	(7,261)	(8,646)
Recoveries of Prior Year Unpaid Obligations (-)	(292)	(112)
Unpaid Obligations, End of Year	1,828	1,324
Memorandum (non-add) Entries:		
Obligated Balance, Start of Year (+ or -)	\$ 1,324	\$ 2,426
Obligated Balance, End of Year (+ or -)	\$ 1,828	\$ 1,324
Budget Authority and Outlays, Net:		
Budget Authority, Gross (Discretionary and Mandatory)	\$ 8,084	\$ 7,718
Actual Offsetting Collections (Discretionary and Mandatory) (-)	-	(3)
Budget Authority, Net (Discretionary and Mandatory)	\$ 8,084	\$ 7,715
Outlays, Gross (Discretionary and Mandatory)	\$ 7,261	\$ 8,646
Actual Offsetting Collections (Discretionary and Mandatory) (-)	-	(3)
Outlays, Net (Discretionary and Mandatory)	7,261	8,643
Agency Outlays, Net (Discretionary and Mandatory)	\$ 7,261	\$ 8,643

The accompanying notes are an integral part of these financial statements

Notes to the Financial Statement

NOTE 1 – Overview of Reporting Entity

The National Capital Planning Commission (NCPC) is an independent agency of the Executive Branch of the United States Government. The agency was originally established in 1924 as the National Capital Park Commission. With the passage of the National Capital Planning Act of 1952, the agency was renamed the National Capital Planning Commission and provided new responsibilities as the central planning agency for the federal and District of Columbia governments.

The National Capital Planning Commission is governed by 12 Commissioners, three of whom are appointed by the President of the United States and two by the Mayor of the District of Columbia. The NCPC is managed by an Executive Director appointed by the Chairman.

The costs and revenues of the functions and responsibilities described in the National Capital Planning Commission's Fiscal Year 2014 Budget Justification and embedded within the goals and strategic objectives provided in the current Fiscal Year 2009-2014 Strategic Plan are captured in four programs: 1) Project Planning, 2) Comprehensive Planning, 3) Federal Capital Improvements, and 4) Planning Operations. Financial events are captured by program and at a more detailed project level. The work of these major programs are captured in the following five major functions and responsibilities: To implement GPRA Modernization Act of 2010, and to promote efficiency and transparency, NCPC has updated its FY 2015-2018 Strategic Plan to include goals that correlate to the Budget Justification and aggregate the functions and responsibilities described in the budget justification to NCPC's current program structure presented in the Fiscal Year 2014 financial statements. The five major functions and responsibilities described in the Fiscal Year 2014 Budget Justification and the relationship to NCPC's program structure follow:

- I. **Comprehensive Planning** - The Commission sets long-range policies and goals for future federal development and plays an important role in the historic preservation, environmental protection, and economic development of the national capital.

The major activity is the preparation and adoption of the *Comprehensive Plan for the National Capital: Federal Elements* and review of the District Elements for the consideration and protection of the federal interest. The Comprehensive Plan is a statement of goals, policies, and guidelines for the future development of the National Capital Region. The Federal Elements of the Comprehensive Plan cover the following areas: Federal Workplace: Location, Impact, and the Community; Foreign Missions and International Organizations; Transportation; Parks and Open Space; Federal Environment; Preservation and Historic Features; Visitors and Commemoration; and Urban Design.

NOTE 1 – Overview of Reporting Entity (Continued)

NCPC is also responsible for developing specialized plans for long-range development in the National Capital Region. Some of NCPC's most successful plans include the 1997 *Extending the Legacy: Planning America's Capital for the 21st Century*, the 2001 *Memorials and Museums Master Plan*, the groundbreaking *National Capital Urban Design and Security Plan* of 2002, the CapitalSpace Plan, the Monumental Core Framework Plan (Framework Plan), and the recent SW Ecodistrict Vision Plan.

Costs and revenues of projects within Comprehensive Planning functions and responsibilities are reported in the Comprehensive Planning program.

- II. **Federal Capital Improvements Program** - Each year the federal government spends millions to maintain and improve its facilities in the National Capital Region. Construction of new office buildings and rehabilitation of old ones; improvements to roads, bridges, and recreation, military, and cultural facilities; and building and land purchases are all included in the capital improvements programs that federal agencies propose for funding. NCPC evaluates these proposals from a regional perspective to ensure that they meet federal planning objectives and that they are coordinated with one another and with the surrounding communities. The Commission's *Federal Capital Improvements Program*, an annual publication, reports on the public works projects proposed by federal agencies over the coming six years and provides the Administration with recommendations for their consistency with the Comprehensive Plan for the National Capital Region.

Costs and revenues of projects within the Federal Capital Improvements Program function and responsibilities are reported in the Federal Capital Improvements program.

- III. **Plan and Project Review** - The Commission reviews all development proposals on public lands to ensure that plans are consistent with the nature and function of the national capital. NCPC provides professional and technical planning expertise in urban design, historic preservation, environment, energy, transportation, zoning, and land-use to federal, state, and District agencies and coordinates federal plans with local, state, and regional planning partners. In this function, NCPC approves or denies the location and design of all federal buildings, museums, memorials, and monuments proposed in the National Capital Region. In addition, the Commission approves or denies all District of Columbia public projects and proposed policies, plans, and provides comments on all zoning actions.

Costs and revenues of the projects within plan and project review functions and responsibilities are reported in the Project Planning program.

NOTE 1 – Overview of Reporting Entity (Continued)

- IV. **Project Planning and Partnerships** - The Commission provides regional leadership to protect the federal interest and advance the implementation of federal planning initiatives. By forging strong partnerships, and through effective coordination, NCPC advances the critical recommendations of its Legacy and Comprehensive Plans. Some of these recent projects include the DC Circulator Transit Service, Flooding and Stormwater Study, National Mall Levee Project, and the Monumental Core Framework Plan.

Depending upon the project, the costs and revenues of project planning and partnership functions and responsibilities may be categorized and reported in the Project Planning or the Comprehensive Planning programs.

V. **Management Systems and Operation Systems**

Management systems and operations systems functions and responsibilities provides strategic direction, oversight, and the required resources to NCPC's planning operations to ensure the agency fulfills its regulatory requirements in all applicable areas and achieves its mission and strategic objectives with the most efficient and effective utilization of funding provided by Congress.

Depending upon the project, the costs and revenues of management systems and operations systems functions and responsibilities may be categorized and reported in the Project Planning, Comprehensive Planning, Federal Capital Improvements Program, or Planning Operations programs.

NOTE 2 – Summary of Significant Accounting Policies

Basis of Presentation

These financial statements have been prepared from the accounting records of NCPC in accordance with generally accepted accounting principles in the United States (GAAP), and the form and content for entity financial statements specified by the Office of Management and Budget (OMB) in OMB Circular A-136 Financial Reporting Requirements, as OMB A-136 has been updated and amended several times from publication to the present year. GAAP for Federal entities are standards prescribed by the Federal Accounting Standards Advisory Board (FASAB), which has been designated the official accounting standards-setting body for the Federal Government by the American Institute of Certified Public Accountants.

National Capital Planning Commission
Notes to Financial Statements
September 30, 2014 and 2013

NOTE 2 – Summary of Significant Accounting Policies (Continued)

OMB Circular A-136 Financial Reporting Requirements requires agencies to prepare financial statements, which include a Balance Sheet, a Statement of Net Cost, a Statement of Changes in Net Position, and Statement of Budgetary Resources. The Balance Sheet presents, as of September 30, 2014, amounts of future economic benefits owned or managed by NCPC (assets), amounts owed by NCPC (liabilities), and amounts, which comprise the difference (net position). The Statement of Net Cost reports the full cost of the program, both direct and indirect costs of the output, and the costs of identifiable supporting services provided by other segments within NCPC and other reporting entities. The Statement of Budgetary Resources reports an agency's budgetary activity.

Basis of Accounting

Transactions are recorded on the accrual basis of accounting in accordance with OMB Circular A-136, "Financial Reporting Requirements". Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recognized when a liability is incurred, without regard to receipt or payment of cash.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Budgets and Budgetary Accounting

NCPC follows standard Federal budgetary accounting policies and practices in accordance with OMB Circular No. A-11, "Preparation, Submission, and Execution of the Budget," dated July 25, 2014. Budgetary accounting facilitates compliance with legal constraints and controls over the use of federal funds. Each year, Congress provides NCPC appropriations to incur obligations in support of agency programs. For Fiscal Year (FY) 2014 and 2013, NCPC is accountable for general fund appropriations, no-year fund carryover and Offsetting Collections, and deposit funds. NCPC recognizes budgetary resources as assets when cash (funds held by Treasury) is made available through warrants and when spending authority from the offsetting collection is incurred.

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Revenues and Other Financing Sources

NCPC receives the majority of the funding needed to support all of its programs through appropriations and other collections. NCPC receives annual, multi-year and no-year appropriations that may be used, within statutory limits, for operating and capital expenditures. Additional amounts are obtained from service fees through reimbursable agreements for services performed for intra-governmental and public entities. Appropriations are recognized as revenues as the related program or administrative expenses are incurred. Other financing sources for NCPC consist of imputed financing sources which are costs financed by other federal entities on behalf of NCPC, as required by Statement of Federal Financial Accounting Standard (SFFAS) No. 5, Accounting for Liabilities of the Federal Government.

Receivables

Accounts receivable consist of amounts owed to NCPC by other Federal agencies and the public. Federal accounts receivable are generally the result of the provision of goods and services to other federal agencies and, with the exception of occasional billing disputes, are considered to be fully collectible. Public accounts receivable are generally the result of the provision of goods and services, or erroneous payments. Amounts due from the public are presented net of an allowance for loss on uncollectible accounts, which is based on historical collection experience and/or an analysis of the individual receivables.

Inventory and Operating Materials and Supplies

NCPC's operating materials and supplies are immaterial. Operating materials and supplies are expended as purchases are received.

Property and Equipment

NCPC currently has a capitalization threshold of \$200,000 for structures and facilities and \$25,000 for other property, plant and equipment. The subsidiary property management system accumulates costs assigned to the equipment or facility being constructed. The straight line method is generally used to depreciate capitalized assets.

Prepaid and Deferred Charges

Payments in advance of the receipt of goods and services are recorded as prepaid charges at the time of prepayment and recognized as expenses when the related goods and services are received.

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Liabilities

Liabilities represent amounts expected to be paid as the result of a transaction or event that has already occurred. Liabilities covered by budgetary resources are liabilities incurred which are covered by realized budgetary resources as of the balance sheet date. Available budgetary resources include new budget authority, spending authority from the offsetting collections, recoveries of unexpired budget authority through downward adjustments of prior year obligations, unobligated balances of budgetary resources at the beginning of the year. Unfunded liabilities are not considered to be covered by such budgetary resources. Examples of unfunded liabilities are actuarial liabilities for future Federal Employees' Compensation Act payments. The Government, acting in its sovereign capacity, can abrogate liabilities arising from other than contracts.

Personnel Compensation and Benefits

Salaries and wages of employees are recognized as accrued payroll expenses and related liabilities as earned. These expenses are recognized as a funded liability when accrued.

Annual leave is accrued as it is earned by employees and is included in personnel compensation and benefit costs. An unfunded liability is recognized for earned but unused annual leave, since from a budgetary standpoint, this annual leave will be paid from future appropriations when employees use the leave. The amount accrued is based upon current pay rates for employees. Sick leave and other types of leave that are not vested are expensed when used and no future liability is recognized for these amounts.

NCPC's employees participate in one of two retirement programs, either the Civil Service Retirement System (CSRS) or the Federal Employees Retirement System (FERS), which became effective on January 1, 1987. NCPC and its employees both contribute to these systems. Public Law 112-96, Section 5001, the "Middle Class Tax Relief and Job Creation Act of 2012", divided FERS participants into two categories, FERS employees and FERS-Revised Annuity Employees (FERS-RAE). Employees hired on or after January 1, 2013, with some exceptions, are required to contribute 2.3% more to FERS than FERS employees hired prior to January 1, 2013. Although NCPC funds a portion of benefits under CSRS and FERS and makes the necessary payroll withholdings, it does not report assets associated with these benefit plans in accordance with SFFAS No. 5, "Accounting for Liabilities of the Federal Government."

For FERS employees, NCPC contributes an amount equal to 11.9% of the employees' basic pay to the plan. For FERS-RAE employees, NCPC contributes an amount equal to 9.6% of the employees' basic pay to the plan. For CSRS employees, NCPC contributes an amount equal to 7% of the employees' basic pay to the plan.

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Both CSRS employees and FERS employees are eligible to participate in the Thrift Savings Plan (TSP). The TSP is a defined contribution retirement plan intended to supplement the benefits provided under CSRS and FERS. For FERS employees, NCPC contributes an amount equal to 1% of the employee's basic pay to the TSP and matches employee contributions up to an additional 4%. CSRS employees receive no matching contribution from NCPC.

The U.S. Office of Personnel Management (OPM) is responsible for reporting assets, accumulated plan benefits, and unfunded liabilities, if any, applicable to CSRS participants and FERS employees government-wide, including NCPC employees. NCPC has recognized an Imputed Cost and Imputed Financing Source for the difference between the estimated service cost and the contributions made by NCPC and its covered employees. The estimated cost of pension benefits is based on rates issued by OPM.

Employees are entitled to participate in the Federal Employees Group Life Insurance (FEGLI) Program. Participating employees can obtain "basic life" term life insurance, with the employee paying two-thirds of the cost and NCPC paying one-third. Additional coverage is optional, to be paid fully by the employee. The basic life coverage may be continued into retirement if certain requirements are met. OPM administers the FEGLI program and is responsible for the reporting of related liabilities. Each fiscal year, OPM calculates the U.S. Government's service cost for the post-retirement portion of basic life coverage. Because NCPC's contributions to the basic life coverage are fully allocated by OPM to the pre-retirement portion of coverage, the Commission has recognized the entire service cost of the post-retirement portion of basic life coverage as an Imputed Cost and Imputed Financing Source.

Borrowings Payable to Treasury

NCPC does not engage in Treasury Borrowing activities.

Contingencies

The criteria for recognizing contingencies for claims are (1) a past event or exchange transaction has occurred as of the date of the statements; (2) a future outflow or other sacrifice of resources is probable; and (3) the future outflow or sacrifice of resources is measurable (reasonably estimated). NCPC recognizes material contingent liabilities in the form of claims, legal action, administrative proceedings and environmental suits that have been brought to the attention of legal counsel, some of which will be paid by the Treasury Judgment Fund. It is the opinion of management and legal counsel that the ultimate resolution of these proceedings, actions and claims, will not materially affect the financial position or results of operations.

National Capital Planning Commission
Notes to Financial Statements
September 30, 2014 and 2013

NOTE 3 – Non-Entity Assets

(Dollars in Thousands)

Intragovernmental:	<u>September 30, 2014</u>	<u>September 30, 2013</u>
Total Non-Entity Assets	\$ -	\$ -
Total Entity Assets	<u>3,188</u>	<u>2,587</u>
 Total Assets	 <u>\$ 3,188</u>	 <u>\$ 2,587</u>

NOTE 4 – Fund Balance with Treasury

(Dollars in Thousands)

Fund Balances:	<u>September 30, 2014</u>	<u>September 30, 2013</u>
	<u>Total</u>	<u>Total</u>
General Funds	\$ 2,504	\$ 1,767
Total	<u>\$ 2,504</u>	<u>\$ 1,767</u>

Status of Fund Balance with Treasury:

Unobligated Balance		
Unavailable	676	443
Obligated Balance Not Yet Disbursed	<u>1,828</u>	<u>1,324</u>
Total	<u>\$ 2,504</u>	<u>\$ 1,767</u>

Other Information:

The U.S. Treasury performs cash management activities for all Federal agencies. Fund Balance With Treasury is the aggregate amount of the agency's accounts with Treasury for which the agency is authorized to liquidate obligations, pay funded liabilities, and make expenditures. The fund balance is increased through the receipt of non-expenditure Treasury Warrants for appropriations, positive non-expenditure transfers, and other expenditure inflows of funds. The Fund Balance with Treasury is reduced through non-expenditure Treasury Warrants for rescissions, negative non-expenditure transfers, disbursements, and other expenditure cash outflows of funds.

National Capital Planning Commission
Notes to Financial Statements
September 30, 2014 and 2013

NOTE 5 – General Property, Plant, and Equipment

(Dollars in Thousands)

<u>Major Classes</u>	<u>Service Life</u>	September 30, 2014			September 30, 2013		
		<u>Acquisition Value</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>	<u>Acquisition Value</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Equipment	5 SL	\$ 306	\$ 143	\$ 163	\$ 306	\$ 81	\$ 225
Leasehold Improvements	10 SL	1,046	525	521	1,056	461	595
Total		<u>\$ 1,352</u>	<u>\$ 668</u>	<u>\$ 684</u>	<u>\$ 1,362</u>	<u>\$ 542</u>	<u>\$ 820</u>

<u>Major Classes</u>	<u>Capitalization Threshold</u>
Equipment	\$ 25
Internal Use Software	200
Bulk Purchase Software	200
Software Enhancements	200
Buildings/Structures	200
Leasehold Improvements	25

NCPC recognizes Construction in Progress based upon the estimated completion of assets under construction. At the conclusion of Fiscal Year 2013, all projects were estimated to be complete and placed in service. NCPC commences depreciation of assets in the month following the period that they have been completed, are fully operational, and in service.

National Capital Planning Commission
Notes to Financial Statements
September 30, 2014 and 2013

NOTE 6 – Liabilities not covered by Budgetary Resources

(Dollars in Thousands)

Intragovernmental:	<u>September 30, 2014</u>	<u>September 30, 2013</u>
Other Liabilities-Unfunded Rent Expense	\$ 1,012	\$ 1,091
-	-	-
Total Intragovernmental	<u>\$ 1,012</u>	<u>\$ 1,091</u>
Other Liabilities-Unfunded Leave	\$ 275	\$ 271
-	-	-
Total Liabilities Not Covered by Budgetary Resources	\$ 1,287	\$ 1,362
Total Liabilities Covered by Budgetary Resources	<u>422</u>	<u>490</u>
Total Liabilities	<u><u>\$ 1,709</u></u>	<u><u>\$ 1,852</u></u>

National Capital Planning Commission
Notes to Financial Statements
September 30, 2014 and 2013

NOTE 7 – Other Liabilities

(Dollars in Thousands)

	<u>Non-Current Liabilities</u>	<u>Current Liabilities</u>	<u>Total</u>
As of September 30, 2014			
Intragovernmental:			
Accrued Pay and Benefits	\$ -	\$ 22	\$ 22
Unfunded Accrued GSA Rent Expense	1,012	-	1,012
Total Intragovernmental Other Liabilities	<u>\$ 1,012</u>	<u>\$ 22</u>	<u>\$ 1,034</u>
Public:			
Accrued Pay and Benefits	\$ -	\$ 95	\$ 95
Other-Unfunded Leave	275	-	275
Total Public Other Liabilities	<u>\$ 275</u>	<u>\$ 95</u>	<u>\$ 370</u>
As of September 30, 2013			
Intragovernmental:			
Accrued Pay and Benefits	\$ -	\$ 20	\$ 20
Unfunded Accrued GSA Rent Expense	1,091	-	1,091
Total Intragovernmental Other Liabilities	<u>\$ 1,091</u>	<u>\$ 20</u>	<u>\$ 1,111</u>
Public:			
Accrued Pay and Benefits	\$ -	\$ 87	\$ 87
Other - Unfunded Leave	271	-	271
Total Public Other Liabilities	<u>\$ 271</u>	<u>\$ 87</u>	<u>\$ 358</u>

National Capital Planning Commission
Notes to Financial Statements
September 30, 2014 and 2013

NOTE 8 - Leases

Entity as Lessee:

Operating Leases:

Description of Leasing Arrangements:

NCPC leases office space at 401 9th Street, NW, North Lobby, Suite 500, Washington, DC 20004. NCPC entered into a new operating lease in December 2010. The new lease expires in November 2020. The old lease expired in November 2010. NCPC received a rent credit of \$1,075 for the first ten months of the lease in Fiscal Year 2011. NCPC received an additional Commission Credit of \$119 in Fiscal Year 2012 of the lease. Minimum lease payments under the new lease are scheduled to increase over the life of the lease due to inflation. NCPC accounts for the lease on a straight-line basis over the lease term. The unfunded liability as of September 30, 2014 is \$1,012. The unfunded liability as of September 30, 2013 was \$1,091.

Other Information:

OMB Circular A-136 require the disclosure of future lease payments, by major asset category, for all non-cancellable leases with terms longer than one year. It does not require the same disclosure for cancellable leases. Although NCPC's lease for office space is cancellable with four months of notice, to better understand the significance of NCPC's leased office space to NCPC's future annual funding, NCPC is disclosing future payments due under the lease in other information.

Future Payments Due (Dollars in Thousands):

The following is a schedule of the minimum lease payments required by the lease, plus estimated real estate property tax escalation:

	Buildings and Structures	
	(1)	Totals
Year 5	\$ 1,467	\$ 1,467
Year 6	\$ 1,491	\$ 1,491
Year 7	\$ 1,516	\$ 1,516
Year 8	\$ 1,541	\$ 1,541
Year 9	\$ 1,568	\$ 1,568
Year 10	\$ 1,595	\$ 1,595
Year 11 (2 months)	\$ 251	\$ 251
Total Future Lease Payments	\$ 9,429	\$ 9,429

National Capital Planning Commission
Notes to Financial Statements
September 30, 2014 and 2013

NOTE 8 – Leases (Continued)

Lease payments under the new lease, including estimated Real Estate Taxes Escalation Expense for the quarter ended September 30, 2014 was \$1,481. Lease payments for the quarter ended September 30, 2013 was \$1,401. Total funded and unfunded GSA lease expense was \$1,370 for the quarter ended September 30, 2014. Total funded and unfunded GSA lease expense for the quarter ended September 30, 2013 was \$1,382.

National Capital Planning Commission
Notes to Financial Statements
September 30, 2014 and 2013

NOTE 9 – Intragovernmental Costs and Exchange Revenue

(Dollars in Thousands)

	<u>September 30, 2014</u>	<u>September 30, 2013</u>
Project Planning:		
Intragovernmental Gross Costs	\$ 1,303	\$ 1,611
Public Costs	1,745	2,039
Total Project Planning Costs	<u>3,048</u>	<u>3,650</u>
Comprehensive Planning:		
Intragovernmental Gross Costs	\$ 385	\$ 306
Public Costs	691	229
Total Comprehensive Planning Costs	<u>1,076</u>	<u>535</u>
Federal Capital Improvements Program:		
Intragovernmental Gross Costs	\$ 63	\$ 60
Public Costs	94	123
Total Federal Capital Improvements Costs	<u>157</u>	<u>183</u>
Planning Operations:		
Intragovernmental Gross Costs	\$ 909	\$ 1,174
Public Costs	2,331	2,622
Total Planning Operations Costs	<u>3,240</u>	<u>3,796</u>

Intragovernmental or public revenue is recognized when NCPC has earned funding received from a reimbursable agreement. A reimbursable agreement is where NCPC receives funding from another Federal Government entity or a state or local entity to provide goods and services to the other entity. Intragovernmental or public revenue is earned on a case-by-case basis when expenditures are incurred by NCPC to provide the goods and services required under the reimbursable agreement. NCPC classifies expenses as “intragovernmental” if goods and services are procured from a public entity, regardless of funding source. Rarely, NCPC may provide goods and services to the public in exchange for a fee. Public revenue is recognized when NCPC provides the goods or services to the public entity.

National Capital Planning Commission
Notes to Financial Statements
September 30, 2014 and 2013

NOTE 10 – Apportionment Categories of Obligations Incurred: Direct vs. Reimbursable Obligations

	(Dollars in Thousands)	
	<u>September 30, 2014</u>	<u>September 30, 2013</u>
Direct Obligations Incurred:		
Category A	\$ 8,057	\$ 7,656
	-	-
Total Direct Obligations Incurred	<u>\$ 8,057</u>	<u>\$ 7,656</u>
Total Obligations Incurred	<u>\$ 8,057</u>	<u>\$ 7,656</u>

Apportionment is a plan, approved by OMB, to spend resources provided by one of the annual appropriations acts, a supplemental appropriations act, a continuing resolution, or a permanent law (mandatory appropriations). Resources are apportioned by Treasury Appropriation Fund Symbol (TAFS). The apportionment identifies amounts available for obligation and expenditure. It specifies and limits the obligations that may be incurred and expenditures made (or makes other limitations, as appropriate) for specified time periods, programs, activities, projects, objects, or any combination thereof. An apportioned amount may be further subdivided by an agency into allotments, sub-allotments, and allocations.

OMB Circular A-11 defines apportionment categories as follows:

Category A apportionments distribute budgetary resources by fiscal quarters.

Category B apportionments typically distribute budgetary resources by activities, projects, objects or a combination of these categories.

Category C apportionments may be used in multi-year and no-year TAFS to apportion funds into future fiscal years.

Exempt from apportionment (see OMB Circular A-11, paragraph 120.8 for details).

National Capital Planning Commission
Notes to Financial Statements
September 30, 2014 and 2013

NOTE 11 – Undelivered Orders at the End of the Period

(Dollars in Thousands)

	<u>September 30, 2014</u>	<u>September 30, 2013</u>
Undelivered orders at the end of the period	\$ 1,406	\$ 835

Undelivered orders represent the value of goods and services ordered and obligated that have not been received. This amount includes any orders for which advance payment has been made but for which delivery or performance has not yet occurred.

NOTE 12 – Explanation of Differences between the SBR and the Budget of the US Government

Statement of Federal Financial Accounting Standards No. 7, Accounting for Revenue and Other Financing Sources and Concepts for Reconciling Budgetary and Financial Accounting calls for explanations of material differences between budgetary resources available, status of those resources and outlays as presented in the Statement of Budgetary Resources (SBR) to the related actual balances published in the Budget of the United States Government (President's Budget). The most current comparable data is FY 2013 Actual amounts presented in the President's Budget for Fiscal Year 2015. The President's Budget that will include FY 2014 Actual amounts has not yet been published. The President's Budget for FY 2016 is scheduled for publication in February 2015 on OMB's website.

Reconciling differences are caused by the exclusion of amounts of Budgetary Resources, Obligations Incurred, Offsetting Collections, and Outlays in expired funds that are not excluded in the SBR. The Ending Unobligated Balance on the SBR includes both unexpired and expired Budgetary Resources. The President's Budget discloses only unexpired Unobligated balances available for obligation in the following Fiscal Year. NCPC is funded primary through annual one-year Appropriations. Consequently, NCPC's actual Ending unobligated Balance from the previous year are not reflected as available Budgetary Resources in the President's Budget for the following Fiscal Year. In addition, due to the presentation of amounts in the SBR in thousands of dollars. The presentation of amounts in the President's Budget are in millions of dollars. Small differences in amounts presented in thousands may convert to a difference of \$1 million for the purpose of this reconciliation.

	FY 2013 Obligated Balance			
	Beginning Balance	Obligations Incurred	Outlays	Ending Balance
Statement of Budgetary Resources	\$ 2	\$ 8	\$ 8	\$ 2
Difference-Rounding	\$ -	\$ -	\$ 1	\$ (1)
President's Budget	\$ 2	\$ 8	\$ 9	\$ 1

NOTE 13 – Reconciliations of Net Cost of Operations to Budget

(Dollars in Thousands)

	<u>FY 2014</u>	<u>FY 2013</u>
Resources Used to Finance Activities:		
Budgetary Resources Obligated		
Obligations Incurred	\$ 8,057	\$ 7,656
Less: Spending Authority From Offsetting Collections & Recoveries	292	115
Obligations Net of Offsetting Collections & Recoveries	7,765	7,541
Net Obligations	\$ 7,765	\$ 7,541
Other Resources		
Imputed Financing from Costs Absorbed by Others	\$ 266	\$ 280
Net Other Resources Used to Finance Activities	\$ 266	\$ 280
Total Resources Used to Finance Activities	\$ 8,031	\$ 7,821
Resources Used to Finance Items Not Part of Net Cost of Operations:		
Change in Budgetary Resources Obligated But Not Provided (+/-)	\$ 572	\$ (417)
Resources That Fund Expenses Recognized in Prior Periods	79	118
Resources That Finance the Acquisition of Assets or Liquidation of Liabilities (+/-)	(10)	54
Total Resources Used to Finance Items Not Part of the Net Cost of Operations	\$ 641	\$ (245)
Total Resources Used to Finance the Net Cost of Operations	\$ 7,390	\$ 8,066

NOTE 13 – Reconciliations of Net Cost of Operations to Budget
(Continued)

(Dollars in Thousands)

	<u>FY 2014</u>	<u>FY 2013</u>
Components of Net Cost of Operations That Will Not Require or Generate Resources in the Current Period:		
Components Requiring/Generating Resources in Future Periods:		
Increase in Annual Leave Liability	\$ 4	\$ -
Total Components Requiring or Generating Resources in Future Periods	\$ 4	\$ -
Components Not Requiring or Generating Resources:		
Depreciation and Amortization	\$ 127	\$ 98
Total Components Not Requiring or Generating Resources	\$ 127	\$ 98
Total Components of Net Cost of Operations That Will Not Require or Generate Resources in the Current Period	\$ 131	\$ 98
Net Cost of Operations	\$ 7,521	\$ 8,164

NOTE 14 – Subsequent Events

In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through November 13, 2014, which is the date the financial statements were available to be used.

PART IV: OTHER INFORMATION

IPIA (As Amended By IPERA) Reporting Details

I. Risk Assessment

NCPC's risk assessment of its programs has not identified any programs at risk for significant erroneous payments as defined by OMB Memorandum M-11-16 at this time. NCPC systematically reviews its program expenditures, to identify risk-susceptible programs in the following manner:

1. NCPC calculates the total amount of expenditures by program, excluding intra-governmental and employee payments to first determine if the total amount of expenditures meets the threshold for a single significant erroneous payment, as defined by OMB Memorandum M-11-16.
2. NCPC applies other risk factors to each program to identify risk-susceptible programs, such as:
 - Whether the program reviewed is new to the agency;
 - The complexity of the program;
 - The volume of payments made annually;
 - Recent major changes in program funding;
 - The level, experience, and quality of training for personnel responsible for certifying that payments are accurate;
 - Significant deficiencies identified in audit reports; and
 - Results from prior improper payment work.

After review, none of NCPC's programs are risk-susceptible. Total expenditures for each program, are under the threshold for a single significant erroneous payment and no programs were identified risk-susceptible after consideration of additional risk factors described in number two. Additional reporting details are not required.

APPENDIX A

NATIONAL CAPITAL PLANNING COMMISSION
COMMENTS ON

DRAFT AUDIT REPORT

November 13, 2014

Singshinsuk, Erin D., CPA, Partner
Chortek, LLP
400 Virginia Avenue SW, Suite C130
Washington, DC 20024

Dear Mrs. Singshinsuk:

We have reviewed the draft report provided to us relating to your audit of the National Capital Planning Commission for the fiscal years ended September 30, 2014 and 2013. We concur with the facts and conclusions in the draft report.



Chief Operating Officer

National Capital Planning Commission

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